GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:699
ANSWERED ON:28.11.2005
ESTABLISHMENT OF FPI
Gohain Shri Rajen;Murmu Shri Hemlal

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the representatives of various countries recently appreciated the establishment of food processing industries in the country;

(b) if so, the details thereof;

(c) the total number of such industries with financial assistance and administrative support provided by the Government in each State of the country during the last three years and current year; and

(d) the steps being taken by the Government to boost food processing industries in the country?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a) & (b): Yes, Sir. Recently, French and Italian delegation visited India and had a meeting in the Ministry of Food Processing Industries. Both the delegations appreciated the potential and dynamism of Indian food processing Industries. In the meetings, scope for cooperation and partnership in the food processing sector beneficial to host and guest countries was discussed.

(c) & (d): Government has formulated and implemented several Plan Schemes to provide financial assistance for establishment and modernization o f food processing units, creation of infrastructure, support for R&D, human resource development besides other promotional measures to encourage development of food processing industries. A statement showing number of FPI units assisted so far by the Government under the scheme of technology upgradation/ establishment o f food processing industries is annexed. Recently in 2004-05 for giving boost to growth of FPI sector the Government has allowed under Income Tax Act, a deduction of 100% of profit for five years and 25% of profits for the next five years in case of new agro processing industries set up to process, preserve and package fruits and vegetables. Excise duty of 16% on dairy machinery has been fully waived for promotion of dairy processing industries. Excise duty on meat, poultry and fish products has been reduced from 16% to 8%. Excise duty on food grade hexane used in edible oil industry has been reduced from 32% to 16%. A National Horticulture Mission has been launched w.e.f. 1st April 2005 with an objective to ensure an end-to-end approach for the horticulture sector. In the Budget of 2005-06 excise duty of Rs. 1.00 per kg on refined oil and Rs. 1.25 per kg on Vanaspati was abolished. Customs duty on refrigerated vans was reduced from 20% to 10%.

Annexure

Statement referred to in reply of Lok Sabha Unstarred Question No. 699 dated 28.11.2005

State/UT	FPI Units assisted by MFPI
Andhra Pradesh	52
Arunachal Pradesh	1
Assam	20
Bihar	4
Chhattisgarh	1
Delhi	1
Goa	5
Gujarat	27
Haryana	15
Himachal Pradesh	15
Jammu & Kashmir	14
Jharkhand	2
Karnataka	39
Kerala	20
Lakshdweep	-
Madhya Pradesh	17
Maharashtra	89
Manipur	24
Meghalaya	4
Mizoram	2
Nagaland	2
Orissa	10

Pondicherry	3
Punjab	51
Rajasthan	9
Tamil Nadu	44
Tripura	4
Uttar Pradesh	62
Uttranchal	8
West Bengal	34
Total	579